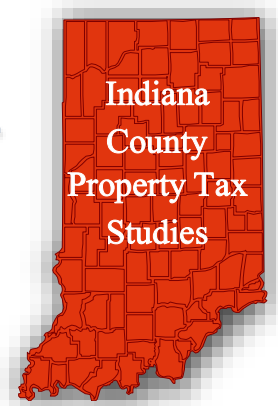


2013 Martin County Property Tax Report with Comparison to 2012

Legislative Services Agency

September 2013



This report describes property tax changes in Martin County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Martin County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	2.9%	\$5,939,296	\$350,013,016	1.2%
Change		4.5%	6.5%	
2012	-14.8%	\$5,681,572	\$328,713,942	1.9%

Comparable Homestead Property Tax Changes in Martin County

The total tax bill for all taxpayers in Martin County increased by 2.9% in 2013. The main reason was a 4.5% increase in the total property tax levy. The reassessment year increase in certified net assessed value of 6.5% exceeded the levy increase, so property tax rates generally decreased. This tax rate decrease caused tax cap credits as a share of the levy to drop from 1.9% in 2012 to 1.2% in 2013.

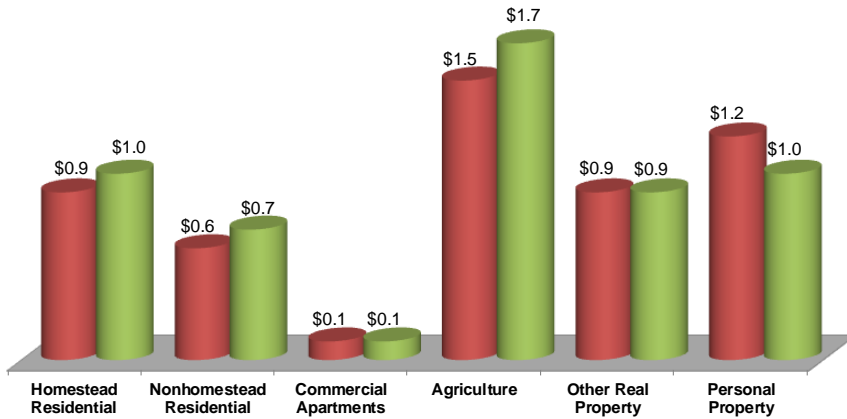
Martin County homeowners experienced a 2.5% increase in property tax bills in 2013. This was due to a large increase in homestead net assessed value, which was almost offset by a decrease in property tax rates and an increase in local homestead credits. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	1,182	41.6%
No Change	206	7.3%
Lower Tax Bill	1,453	51.1%
Average Change in Tax Bill	2.5%	
Detailed Change in Tax Bill		
20% or More	548	19.3%
10% to 19%	185	6.5%
1% to 9%	449	15.8%
-1% to 1%	206	7.3%
-1% to -9%	636	22.4%
-10% to -19%	458	16.1%
-20% or More	359	12.6%
Total	2,841	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)

■ 2012 - Total \$5.2 ■ 2013 - Total \$5.4



In Martin County most net property taxes were paid by business (other real and personal) and agriculture property owners in 2013. Total net property taxes increased 2.9%, more than the average 2.1% increase statewide. Nonhomestead residential property saw the largest percentage increase, while personal property net taxes decreased by the largest percentage.

Property tax rates decreased in all but one of the 10 Martin County tax districts in 2013. The average tax rate fell by 1.8% because a levy increase was offset by a larger increase in certified net assessed value. Statewide, the average tax rate increased by 4.2%.

The total levies of all government units in Martin County increased by 4.5%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Martin County are included in a later table.

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$234,761,019	\$250,913,099	6.9%	\$77,443,376	\$86,189,347	11.3%
Other Residential	41,115,800	48,425,600	17.8%	38,740,802	45,426,308	17.3%
Ag Business/Land	104,924,781	116,330,701	10.9%	101,126,940	113,479,621	12.2%
Business Real/Personal	134,526,008	130,262,540	-3.2%	115,970,075	107,683,233	-7.1%
Total	\$515,327,608	\$545,931,940	5.9%	\$333,281,193	\$352,778,509	5.9%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while Certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Martin County's total billed net assessed value increased substantially, by 5.9% in 2013. Agricultural, other residential, and homestead assessments all experienced increases. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$2,124	\$493	-\$1,632	-76.8%
2%	93,618	60,294	-33,324	-35.6%
3%	6,195	3,079	-3,116	-50.3%
Elderly	6,501	6,379	-122	-1.9%
Total	\$108,439	\$70,244	-\$38,195	-35.2%
% of Levy	1.9%	1.2%		

Total tax cap credits in Martin County were \$70,244, which was 1.2% of the levy. This was less than the state average of 10.9% and less than the median or typical county percentage of 4.2%. Tax rates were the main determinant of tax cap credits. Martin County's average tax rate was less than the median rate

statewide. Most of the tax cap credits in Martin County were in the 2% nonhomestead residential/farmland category. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Martin County decreased \$38,195 between 2012 and 2013. Credits as a share of the total levy fell to 1.2% in 2013 from 1.9% in 2012.

Martin County Levy Comparison by Taxing Unit

Taxing Unit	2009	2010	2011	2012	2013	% Change			
						2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
<i>County Total</i>	5,529,124	5,751,249	5,984,064	5,681,572	5,939,296	4.0%	4.0%	-5.1%	4.5%
Martin County	1,506,755	1,559,575	1,597,609	1,645,541	1,693,364	3.5%	2.4%	3.0%	2.9%
Center Township	20,776	21,323	21,984	22,680	23,304	2.6%	3.1%	3.2%	2.8%
Halbert Township	35,684	37,031	37,914	39,155	39,546	3.8%	2.4%	3.3%	1.0%
Lost River Township	15,100	15,057	15,548	15,880	21,919	-0.3%	3.3%	2.1%	38.0%
Mitcheltree Township	32,164	33,370	34,229	35,324	27,593	3.7%	2.6%	3.2%	-21.9%
Perry Township	55,727	57,527	59,269	60,525	59,934	3.2%	3.0%	2.1%	-1.0%
Rutherford Township	19,171	19,868	20,353	20,890	21,606	3.6%	2.4%	2.6%	3.4%
Loogootee Civil City	434,286	452,559	463,839	477,568	491,730	4.2%	2.5%	3.0%	3.0%
Crane Civil Town	0	0	0	0	0				
Shoals Civil Town	152,099	160,135	164,336	169,982	174,783	5.3%	2.6%	3.4%	2.8%
Shoals Community School Corp	1,724,952	1,730,729	1,813,276	1,538,063	1,690,021	0.3%	4.8%	-15.2%	9.9%
Loogootee Community School Corp	1,334,358	1,452,329	1,585,994	1,492,230	1,621,167	8.8%	9.2%	-5.9%	8.6%
Loogootee Public Library	52,440	60,271	59,876	50,412	51,747	14.9%	-0.7%	-15.8%	2.6%
Shoals Public Library	19,657	20,691	21,229	21,940	22,582	5.3%	2.6%	3.3%	2.9%
Martin County Solid Waste Mgmt Dist	125,955	130,784	88,608	91,382	0	3.8%	-32.2%	3.1%	-100.0%

Martin County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
51001	Center Township	1.5920	--	--	--	--	39.8958%	--	0.9569
51002	Shoals Town/Center Township	3.0346	--	--	--	--	39.8958%	--	1.8239
51003	Halbert Township	1.5928	--	--	--	--	39.8958%	--	0.9573
51004	Shoals Town/Halbert Township	3.0483	--	--	--	--	39.8958%	--	1.8322
51005	Lost River Township	1.6086	--	--	--	--	39.8958%	--	0.9668
51006	Mitcheltree Township	1.6511	--	--	--	--	39.8958%	--	0.9924
51007	Perry Township	1.4180	--	--	--	--	39.8958%	--	0.8523
51008	Loogootee City	2.1583	--	--	--	--	39.8958%	--	1.2972
51009	Crane Town	1.4030	--	--	--	--	39.8958%	--	0.8433
51010	Rutherford Township	1.4216	--	--	--	--	39.8958%	--	0.8544

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Martin County 2013 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	493	60,294	3,079	6,379	70,244	5,939,296	1.2%
<i>TIF Total</i>	0	0	0	0	0	16,352	0.0%
<i>County Total</i>	493	60,294	3,079	6,379	70,244	5,955,648	1.2%
Martin County	89	11,194	489	1,539	13,311	1,693,364	0.8%
Center Township	4	176	8	18	206	23,304	0.9%
Halbert Township	0	296	36	17	349	39,546	0.9%
Lost River Township	0	0	0	5	5	21,919	0.0%
Mitcheltree Township	0	0	0	14	14	27,593	0.1%
Perry Township	3	381	0	86	470	59,934	0.8%
Rutherford Township	0	0	0	0	0	21,606	0.0%
Loogootee Civil City	58	8,626	0	1,077	9,761	491,730	2.0%
Crane Civil Town	0	0	0	0	0	0	
Shoals Civil Town	140	15,245	1,316	576	17,277	174,783	9.9%
Shoals Community School Corp	113	12,288	1,060	1,006	14,467	1,690,021	0.9%
Loogootee Community School Corp	66	9,804	0	1,907	11,776	1,621,167	0.7%
Loogootee Public Library	2	313	0	61	376	51,747	0.7%
Shoals Public Library	18	1,970	170	74	2,232	22,582	9.9%
Martin County Solid Waste Mgmt Dist	0	0	0	0	0	0	
TIF - Crane Town	0	0	0	0	0	16,352	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.